

OCT 8 1936

N-42
N-75-F

United States Department of Agriculture
 Agricultural Adjustment Administration
 NORTH CENTRAL REGION

 Procedure for Development
 and
 Questions for Discussion

1937 AGRICULTURAL CONSERVATION PROGRAM



Foreword

The holding of these community meetings marks the fourth consecutive year in which farmers have worked together in shaping programs for the improvement of their farms and the protection of their incomes. The use of this cooperative method to solve mutual problems represents, for agriculture, a long stride forward in a short time.

My special message to farmers and committeemen as they begin working out a new national farm program for 1937 is that I hope they will keep their fundamental objectives always in mind.

These should be to devise a program that will help to check soil erosion, to improve soil fertility, to encourage better land use, and to maintain farm income.

Everyone knows that these are sound objectives. A program devoted to such purposes will serve not only agricultural welfare but national welfare. It will bring about a better balance in the production of feed and food. Farmers must attain these aims in order to provide greater abundance for the average American home. Their responsibility to consumers is to provide ample supplies of food and fiber. In return they have a right to expect enough income to maintain their farms and care for their families, with a standard of living which keeps pace with that for the nation as a whole.

If, in their community meetings and later discussions, farmers keep striving for these main goals, I am confident the details will be worked out, and a sound and useful program for 1937 will be the result.

H. A. Wallace

Secretary.

I. INSTRUCTIONS

Since the Soil Conservation and Domestic Allotment Act is a continuing act under which a continuing annual appropriation is authorized, and since any conservation program should be developed and announced by the late fall or early winter in order to be fully effective and of the greatest benefit, the Agricultural Adjustment Administration is taking steps to develop an agricultural conservation program for 1937 in the fall and early winter of 1936. The amount of money that will be available for payments under the 1937 program will depend upon the sum appropriated by Congress for this purpose.

The objective of the 1937 program should be the same as the objective of the 1936 program -- to check soil erosion, to maintain or improve soil fertility, and to provide for the economic use and conservation of farm land. The need for conservation is unquestioned. A recent erosion survey indicated that almost 835 million acres, or over 60 per cent of the land in the major farming regions of the United States, were subject to man-induced erosion. But continuous overcropping also is an important cause of soil depletion and also must be checked.

The stripping of the fertile top soil by erosion can be stopped and overcropping can be corrected by the adoption of erosion preventing and soil building practices and by increasing the acreage of soil conserving crops relative to the total acreage of cultivated land. But in developing the conservation program for 1937, attention also should be given to the effect of the program upon agricultural supplies and prices in 1937, to the maintenance of a continuous and stable supply of food for domestic consumption, and to the measures needed to offset the effect of the drought which we have just been through.

As a first step in developing the 1937 program for the North Central Region, the Agricultural Adjustment Administration has adopted the procedure contained herein and has prepared fundamental questions for consideration by farmers of the North Central Region.

II. PROCEDURE FOR FORMULATING 1937 AGRICULTURAL CONSERVATION PROGRAM

1. Chairman of each State committee, one extension representative from each State, and representatives of the North Central Division will confer in Chicago, September 11 and 12.
2. State committee and State extension service will hold conference in each State during week beginning September 14 to schedule and plan meetings in counties.
3. County leaders will start holding community meetings during week beginning September 21 and present questions relative to 1937 program and obtain expressions from farmers attending meetings.
4. County committees, County Agents, and representatives of county planning committees will meet and summarize expressions obtained at community meetings and forward county summaries to State committees before October 21.
5. State committees, State extension representatives including county planning project leaders, and regional adjustment project leaders from the Experiment Stations will prepare State reports based on the county summaries.
6. State committees will meet with representatives of the Agricultural Adjustment Administration during week beginning November 9 to formulate fundamental principles of 1937 program.
7. The Agricultural Adjustment Administration will develop the 1937 program based on principles formulated at regional conference, prepare necessary procedure and forms and present the program to State leaders between December 11 and December 22.
8. County and community leaders, during January and February, will hold community meetings and conferences to present the details of the 1937 program and explain its application to the land to be owned or operated by farmers in 1937.

III QUESTIONS TO BE DISCUSSED AT COMMUNITY MEETINGS

1. What changes should be made in basis of payment to meet 1937 conditions?
2. What changes should be made in crop classifications to meet 1937 conditions?
3. Should bases established in 1936 be used in 1937? If not, what modifications are needed?
4. What soil building practices for which payment was made in 1936 should be retained in 1937? What practices should be added?
5. Should a maximum total conservation allowance be established for each farm? If such an allowance were established, how should it be earned?
6. Is it necessary to have a more comprehensive crop insurance program than that provided by the agricultural conservation and commodity loan programs?
7. What provisions relating to range land should be incorporated in the 1937 program?

QUESTION NO. 1 - WHAT CHANGES SHOULD BE MADE IN THE BASIS OF PAYMENT TO MEET 1937 CONDITIONS?

In the 1936 agricultural conservation program, payments were made: (1) for the diversion of land from the soil depleting base to the production of soil conserving crops; (2) for growing soil conserving crops in connection with the production of sugar beets and flax; and (3) for a number of soil building practices. Should the same general types of payment be made in 1937?

The 1936 program required the establishment of soil depleting bases for such special crops as cotton, tobacco, sugar beets, and flax, and a general soil depleting base which included all soil depleting crops other than these four. The complexity of the program was increased by establishing all of these soil depleting bases but it may be desirable to include them in the 1937 program to preserve equity between various types of farms.

If payments are to be made for the diversion of soil depleting crops in 1937, consideration should be given as to whether the starting point should be the soil depleting base or whether some other starting point should be used. Whether deductions should be made for an increase in 1937 in soil depleting crops over the base or some other figure, is another question involved in the basis of payment. The same is true of the question as to whether deductions should be made for failure to have a specified minimum acreage of soil conserving crops on the farm in 1937.

If payments are to be made for soil building practices in 1937, it will be necessary to decide as to whether a smaller or larger portion of the total payments shall be made for such practices.

QUESTION NO. 2 - WHAT CHANGES SHOULD BE MADE IN CROP CLASSIFICATION TO MEET 1937 CONDITIONS?

When the 1936 agricultural conservation program was formulated earlier in 1936, crops or uses of land were classified as soil conserving, soil depleting, or neutral. This classification was based upon the effect of each crop on the soil under normal weather conditions. A number of changes in the original classification were made during the year, most of them as a result of the drought. Since many effects of the drought will be carried over into 1937, it may be advisable to consider further changes for 1937.

One of the most difficult problems for farmers in 1937 will be to find practical methods of starting an unusually large acreage of soil conserving crops, in order that they may have the proper acreages of such crops in 1938 to maintain productivity of the soil and prevent wind and water erosion. A classification of nurse crops in 1937, according to their use, which will encourage seedings of soil conserving crops should be given very careful consideration.

Soybeans may be used in many ways, and decision must be reached as to how each use of soybeans should be classified in the 1937 program.

Experience gained in the 1936 program should be helpful in deciding the proper place of noxious weed eradication and, in the western great plains, of summer fallow in the 1937 program.

Although abnormal conditions may be prevalent at the outset of the 1937 crop season, it should not be forgotten that a balanced distribution of acreage between soil depleting crops and soil conserving crops should be brought about at the earliest possible time if the interests of all citizens are to be protected.

QUESTION NO. 3 - SHOULD BASES ESTABLISHED IN 1936 BE USED IN 1937? IF NOT, WHAT MODIFICATIONS ARE NEEDED?

The soil depleting bases established in 1936 were intended to represent normal acreages devoted to the soil depleting crops grown on each farm, assuming average weather conditions, average farming practices, and a crop rotation representative of other farms in the community similarly situated with respect to fertility, topography, and other factors. It may be necessary in 1937, however, to revise the bases established in 1936 for one or more of the following reasons: (1) since bases were established late in the season, they may have been based to a greater extent on the crop acreage harvested in 1935 or planted in 1936 than on the appraised normal acreage; (2) correct allowances may not have been made for such factors as unusual weather conditions or the effect of adjustment programs; (3) measurements made in 1936 may have revealed inequities in the bases established; (4) base acreage appraisals may have been influenced by the particular situation of the owner or operator in 1936.

If the bases established in 1936 are revised, the total of all the soil depleting bases in the county should not exceed the official county limits for such county. The county limits for 1937 should be the same as those established in 1936 unless there are indications that such limits are not representative of normal conditions in the county.

QUESTION NO. 4 - WHAT SOIL BUILDING PRACTICES FOR WHICH PAYMENT WAS MADE IN 1936 SHOULD BE RETAINED IN 1937? WHAT PRACTICES SHOULD BE ADDED?

In the 1936 agricultural conservation program soil building payments were made for such practices as seeding of legumes and grasses, the application of lime, phosphate, and potash, the planting of trees, and plowing under of annual legumes for green manure. In some areas soil building payments were made for terracing and in the dry-farming areas of Nebraska and South Dakota, payments were made for such practices as strip fallowing.

It is desirable to provide a sufficient variety of soil building practices to meet the needs of farmers in the different type-of-farming areas in the region, but at the same time to keep the number of practices to a reasonable minimum in order to avoid undue complexity. The practices also

should be definitely related to soil improvement, and should be such that definite standards of performance can be established.

QUESTION NO. 5 - SHOULD A MAXIMUM TOTAL CONSERVATION ALLOWANCE BE ESTABLISHED FOR EACH FARM? IF SUCH AN ALLOWANCE WERE ESTABLISHED, HOW SHOULD IT BE EARNED?

In 1936 a maximum payment for diversion and a maximum payment for practice for each farm was established. The same procedure may be followed in 1937, or a different procedure might be adopted by establishing a maximum total soil conservation allowance for each farm. One of the simplest, although perhaps not the most equitable method of establishing such a total allowance would be to multiply the number of acres of crop land on the farm by a specified rate per acre based on the productivity of the farm. Thus, most farmers would know early in the year the maximum total grant which they could earn on the land they will own or operate in 1937.

It could be provided that the total allowance could be earned by the adoption of approved practices, or by diversion, or by some combination of these methods. On the other hand, it might be advisable to establish certain limits as to the portion of the total allowance which could be earned by any one method.

QUESTION NO. 6 - IS IT NECESSARY TO HAVE A MORE COMPREHENSIVE CROP INSURANCE PROGRAM THAN THAT PROVIDED BY THE AGRICULTURAL CONSERVATION AND COMMODITY LOAN PROGRAMS?

Since 1934, the programs under the Agricultural Adjustment Act and under the Soil Conservation and Domestic Allotment Act, together with the corn loans, have provided a considerable degree of crop insurance to farmers in the North Central Region. If it is thought that a more comprehensive program is needed, the development of a general crop insurance plan or the "ever-normal granary" might be considered.

If a crop insurance plan were developed, premiums could be paid in cash, or they could be deducted from the grants due farmers under the conservation program, or they could be paid in kind. Crop insurance with payment in kind would provide for farmers turning in a given portion of their grain in years of good yields and receiving back a given supply of grain in years of low yields. Such an approach should tend to even out the fluctuation in prices since supplies would tend to be stabilized.

QUESTION NO. 7 - WHAT PROVISIONS RELATING TO RANGE LAND SHOULD BE INCORPORATED IN THE 1937 PROGRAM?

(To be used only in western Nebraska and South Dakota)

The scope of the agricultural conservation program for the North Central Region can be extended to include range land, provided a practical range program for the area involved can be devised. In this connection there are four questions to be considered. Do ranchers want a range conservation program? If so, how shall a range conservation allowance be determined? What range practices should be approved for payment? Should payments be made for adjusting grazing on a particular range to the carrying capacity of the range?

Range practices which have been suggested include natural or artificial reseeding of ranges, deferred and rotation grazing, contour listing, water spreading, and rodent eradication. It is desirable to provide a sufficient variety of range conservation practices to meet the needs of ranchers in the different range areas in the region but at the same time to keep the number of practices to a reasonable minimum. The practices also should be definitely related to range improvement and should be such that definite standards of performance can be established.

An important feature of range conservation is the elimination or prevention of overgrazing. This involves bringing about the proper relation between the numbers of livestock carried and the grazing capacity of the range. A program providing for the maintenance of this balance would involve estimating normal carrying capacity, setting up standards of performance, and determining rates and basis of payment.

Nothing, in my opinion, would contribute more to the welfare of the States than the proper management of lands.

---George Washington